

AR48



**Cominco Ltd.**

**70th**   
**ANNUAL REPORT**  
**1975** 

# Principal Offices

## COMINCO LTD.

- 1 Head Office — 200 Granville Square, Vancouver, British Columbia
- 1 Operations Offices — Vancouver, British Columbia
  - 2 — Trail, British Columbia
  - 4 — Calgary, Alberta
  - 10 — Yellowknife, Northwest Territories
- 8 Eastern Region — Toronto, Ontario
- 2 Research Centres — Trail, British Columbia
  - 8 — Sheridan Park, Ontario

## SALES OFFICES

- 1 CANADA Cominco Ltd. — Vancouver, British Columbia
  - 4 — Calgary, Alberta
  - 6 — Winnipeg, Manitoba
  - 8 — Toronto, Ontario
- 14 U.S.A. Cominco American Incorporated — Spokane, Washington
  - 19 — Chicago, Illinois
- 20 EUROPE Cominco (U.K.) Limited — London, England
- 22 Cominco GmbH — Dusseldorf, West Germany
- 32 Cominco France S.A. — Paris, France

## EXPLORATION OFFICES

- 1 CANADA Cominco Ltd. — Vancouver, British Columbia
  - 8 — Toronto, Ontario
- 33 EUROPE Cominco S.A. — Brussels, Belgium
- 14 U.S.A. Cominco American Incorporated — Spokane, Washington
- 26 AUSTRALIA Cominco Exploration Pty. Ltd. — Sydney, Australia
- 25 S. AFRICA Eland Exploration Pty. Ltd. — Johannesburg, S. Africa

## MINES

- 27 Aberfoyle — Tasmania
- 31 Arvik (Polaris) — Northwest Territories
- 13 Black Angel — Greenland
- 15 Brock — Montana
- 10 Con — Northwest Territories
- 12 Fording Coal — British Columbia
- 2 H.B. — British Columbia
- 16 Magmont — Missouri
- 9 Pinchi Lake — British Columbia
- 11 Pine Point Mines — Northwest Territories
- 5 Potash — Saskatchewan
- 27 Que River — Tasmania
- 23 Rubiales — Spain
- 24 S.C.E.D. — Central African Republic
- 3 Sullivan — British Columbia

## METAL PRODUCTION

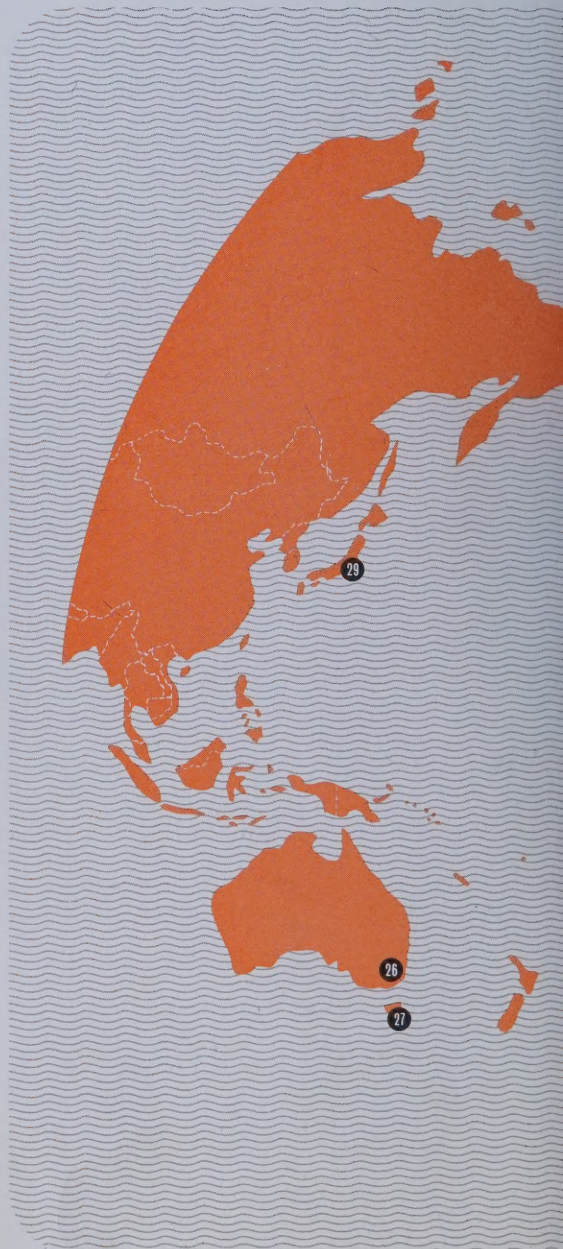
- 2 Cominco Ltd. — British Columbia
- 28 Cominco Binani Zinc Limited — India
- 30 Hawaiian Western Steel Limited — Hawaii
- 21 Mazak Limited — England
- 29 Mitsubishi Cominco Smelting Company Limited — Japan
- 1 Western Canada Steel Limited — British Columbia
  - 4 — Alberta

## METAL FABRICATION

- 14 Cominco American Incorporated — Washington
- 8 The Canada Metal Company Limited — Ontario
- 7 National Hardware Specialties Limited — Ontario

## CHEMICAL AND FERTILIZER PRODUCTION

- 23 Cominco Ltd. — British Columbia
  - 4 — Alberta
- 18 Camex, Inc. — Texas
- 17 Cominco American Incorporated — Nebraska
- 28 Cominco Binani Zinc Limited — India









## Highlights — 5 Year

(all dollar amounts in millions except per share statistics)

OPERATIONS	1975	1974	1973	1972	1971
Gross sales of products and services	\$746.2	\$781.9	\$514.0	\$372.9	\$369.6
Earnings before tax	152.6	195.4	95.0	39.0	25.0
Income and resource taxes	74.7	93.2	45.5	15.1	7.5
Minority interests	12.6	18.1	5.6	3.4	4.4
Equity in net earnings (losses) of associates	8.3	2.2	(1.1)	0.6	0.5
Net earnings	73.6	86.3	42.8	20.0	16.7
Dividends	50.9	50.9	21.2	13.5	11.7
Earnings reinvested	22.7	35.4	21.6	6.5	5.0

### FINANCIAL POSITION

Working capital	\$199.1	\$160.4	\$156.1	\$106.9	\$101.7
Fixed assets (net)	442.2	370.3	368.8	356.3	344.6
Total assets	869.5	765.7	673.2	570.8	554.4
Long-term debt	212.2	138.1	146.5	118.2	110.5
Shareholders' equity	405.2	382.2	346.9	325.2	311.1

### PER SHARE STATISTICS

Net earnings	\$4.34	\$5.08	\$2.52	\$1.19	\$1.00
Dividends	3.00	3.00	1.25	0.80	0.70
Shareholders' equity	23.86	22.52	20.44	19.17	18.63

### OTHER STATISTICS

Number of employees	11,818	12,381	11,129	10,739	10,584
Number of shareholders (1)	30,903 (2)	30,769	31,701	35,434	37,631
Number of shares outstanding (1)	16,981,053	16,969,953	16,969,953	16,969,953	16,698,583
Capital expenditures	\$125.6	\$88.7	\$64.8	\$55.6	\$34.0

Note: (1) Cominco Ltd.

(2) 94% of the shareholders were Canadian registrants  
and held 97% of the shares issued.

Tonnage figures in short tons unless otherwise noted.  
Figures in parentheses are for 1974.  
Dollars are Canadian unless otherwise noted.



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## Output of Principal Products

YEAR	ZINC Tons 1000's	LEAD Tons 1000's	ORES & CONCENTRATES PRODUCED FOR		FERTILIZERS INC. POTASH Tons 1000's
			SALE Tons 1000's	SILVER Ozs. 1000's	
1894-1970	7,202	8,228	1,740	432,970	19,828
1971	211	191	275	5,560	1,090
1972	243	203	226	6,949	1,139
1973	248	202	293	9,629	1,666
1974	162	129	539	6,621	1,478
1975	194	172	440	8,813	1,769
1894-1975	8,260	9,125	3,513	470,542	26,970



# 70th Annual Report of the Directors

## TO THE SHAREHOLDERS:

In 1975 net earnings were \$73.6 (\$86.3) million from sales of \$746.2 (\$781.9) million. Dividends paid totalled \$50.9 (\$50.9) million. The reduction in sales and earnings was caused by the general business recession. Decreased demand for our principal metal products resulted in some inventory accumulations and production curtailments. During the first six months fertilizer markets and prices remained strong but in the latter part of the year both demand and prices weakened. Coal production and sales were normal. The improved contribution from international operations and the diversification in the Company's product lines in recent years offset the adverse factors to a significant degree.

During the year four regional Group Vice-Presidents were appointed. This new group organization with offices at Calgary, Trail, Vancouver and Yellowknife will facilitate the management of the Company's operations in the increasingly complex Canadian business environment. The responsibilities of each group are outlined in the operating sections of the report.

The Company continued its concerted efforts to demonstrate to Canadian governments that the present debilitating level of resource taxation is not in the best interest of the nation. It is essential that the industry retain adequate profits. It must be realized that profits are necessary to generate and attract capital. Without capital, it is impossible to create employment, to achieve high levels of productivity, to protect the environment and to maintain Canada's competitive ability.

Exploration, upon which the Company's future depends, is as profoundly influenced by political and taxation factors as by geology. In 1975 expenditures were \$27.2 (\$22.6) million. The major portion was spent in Canada and the United States but significant programs were also carried out in Australia, Mexico and Europe. As a result of a very successful year, the Company's consolidated ore reserves were increased by nearly 10 million tons.



J. H. SALTER,  
Executive Vice President and  
Chief Operating Officer

F. E. BURNET,  
Chairman and  
Chief Executive Officer

G. H. D. HOBBS,  
President

H. T. FARGEY,  
Executive Vice-President,  
Administration and Marketing



Zinc and lead markets were weak throughout the year. Lead prices were down significantly from the 1974 levels. To compensate for the erosion of the pound sterling the European producer price of zinc, the basis for sales in offshore markets, rose in October from £360 to £390 per metric ton. In December, the currency was changed to U.S. dollars at \$795 per metric ton. The price of zinc in North America remained steady.

To keep metal inventories at reasonable working levels, the Company's metallurgical plants were shut down for the month of August and zinc operations have been at a reduced rate since. In July the Pinchi Lake mercury operation was suspended because of depressed prices.

Pine Point's earnings were down from the previous year's, primarily as a result of softer markets. Fording production rose to rated capacity in the second half of the year. Cominco American had another good year, as did Greenex. Aberfoyle earnings were reduced because of low prices for its products and government imposed production restrictions.

Three major projects are scheduled for completion by the end of 1976 — in Alberta the Carseland ammonia-urea complex, in Spain the Rubiales zinc-lead mine and in the Northwest Territories the new shaft and concentrator expansion at the Con Mine.

The potash industry has endeavored to obtain relief from the heavy additional taxes on production imposed in 1974 by the Saskatchewan government. Our total tax burden on potash is in excess of 100% of pretax profit. The Company and others have challenged the constitutional validity of the imposition of these taxes by the province. The case has not yet come to trial. In November the government of Saskatchewan introduced legislation to acquire all or part of the province's potash production capacity. In British Columbia, con-

tinued heavy taxation of metal mining resulted in sharply diminished earnings from operations in that province. Changes in the governments of British Columbia and Australia, which occurred late in the year, promise a more rational environment for the mining industry in both jurisdictions.

Capital expenditures in 1975 totalled \$125.6 (\$88.7) million and, at year end, unexpended appropriations approximated \$108.0 (\$141.0) million. In February, the Company marketed \$60 million of 10 $\frac{7}{8}$ % twenty year sinking fund debentures. The proceeds, augmented by funds generated from operations, were used for capital expenditures and working capital.

E. A. Mitchell, Vice-President, Pacific Region and H. T. Ommanney, Comptroller, retired after 41 and 46 years respectively of valued service. J. H. Salter was appointed Executive Vice-President and Chief Operating Officer; and M. N. Anderson at Calgary, R. P. Douglas at Yellowknife, A. V. Marcolin at Trail and S. M. Rothman at Vancouver; were appointed Group Vice-Presidents. A. D. Miller was appointed Comptroller.

In October the Government of Canada imposed wage and price controls. At year end the impact was still not clear. The Company fully supports government initiatives to reduce the rate of inflation.

The Directors recognize the contribution of all employees of the Company, its subsidiaries and associates throughout a difficult year.

F. E. BURNET,  
Chairman and Chief Executive Officer

G. H. D. HOBBS,  
President

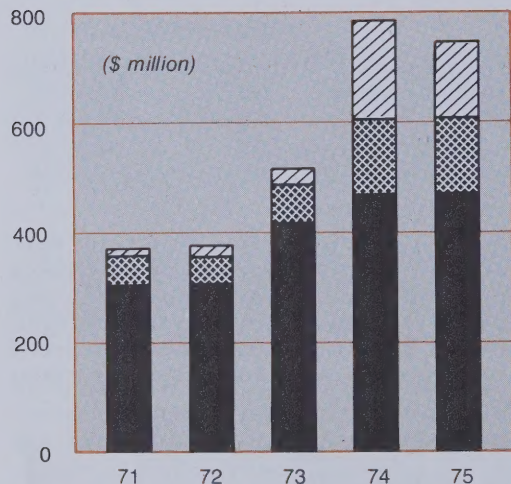
Vancouver, British Columbia  
March 12, 1976



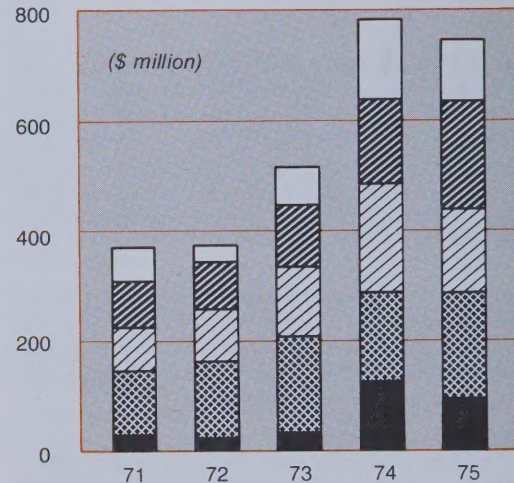
## Sales Highlights

Sales of products and services of the Company and its Subsidiaries  
(excluding Associated Companies)

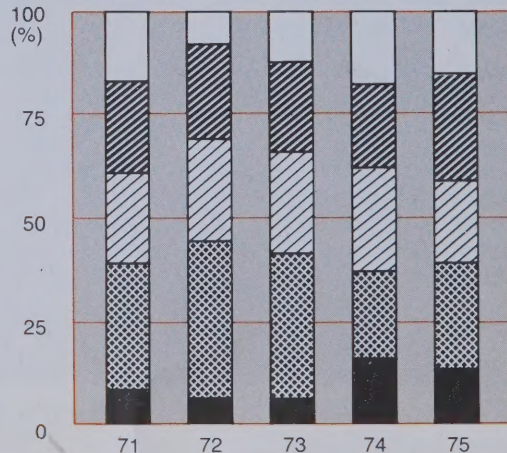
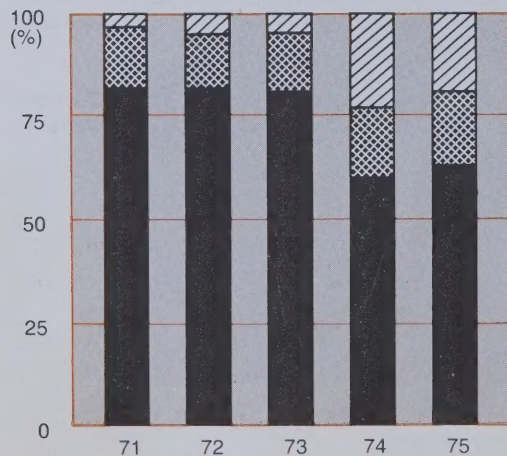
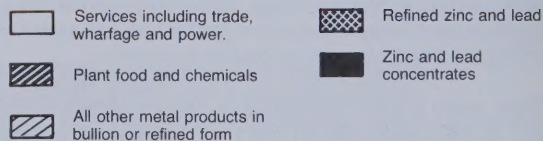
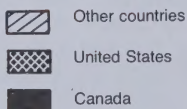
### LOCATION of OPERATION



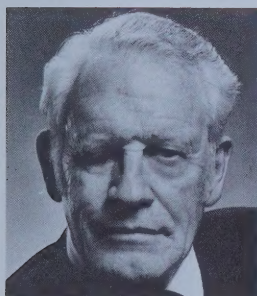
### PRODUCTS and SERVICES



### LEGENDS







R. G. McEACHERN,  
Vice-President, Exploration

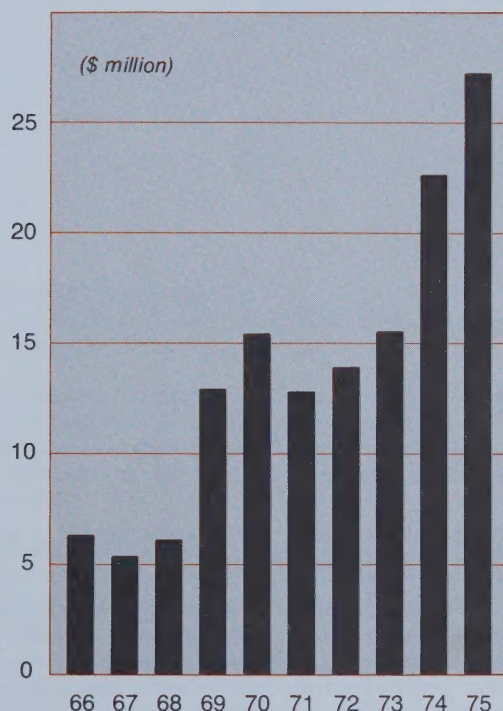
In the past 30 years the growing demand for metals has forced the search for new mineral deposits to more remote areas — either deeper into the earth's crust or further removed from the main transportation routes and consumption centres. To find these deposits requires the skills of a complex, scientifically oriented branch of the mining industry and the expenditure of large sums of money.

The Company has developed a highly qualified and effective exploration organization to discover and develop ore reserves in sufficient quantity, on average, to more than replenish the 10 million tons mined annually. Emphasis is placed on exploration for a range of metals in different locations to provide product and geographic diversification. We are currently searching for deposits of copper, gold, lead, molybdenum, nickel, tin, tungsten, uranium, zinc, diamonds and phosphate, as well as for coal, oil and gas. Concepts and techniques used in Canada are being successfully applied in many countries including Australia, Europe, Greenland, Mexico and the United States.

The geological reconnaissance program being carried on in Greenland discovered a promising mineralized area near the Black Angel Mine. Further work is planned in 1976.

A diamond drilling program on the La Troya deposit in Spain has indicated over five million tons of ore grading approximately 12% combined zinc-lead with copper values. An underground exploration program is under consideration.

## EXPLORATION EXPENDITURES Cominco Ltd. and Subsidiaries



A major diamond drilling program on the Que River (formerly Macintosh) property in Tasmania has outlined over five million tons of good grade zinc-lead-copper-silver-gold ore. Details of the program will be found on page 12.

The Company's ore reserves are tabulated on page 22.

### PANARCTIC OILS LTD.

Cominco holds over 9% equity in this company. Panarctic, in addition to adding to its known gas reserves, now reported at more than 13 trillion cubic feet, found oil in significant quantities in its Benthorn F-72A well located on Cameron Island. Thirteen exploration wells were drilled in 1975 and nine are planned for 1976.



## B.C. Group



A. V. MARCOLIN,  
Group Vice-President  
at Trail

The production units of Cominco Ltd. located in British Columbia are administered from Trail.

At the Sullivan Mine and concentrator in Kimberley, production levels were normal in spite of difficulties associated with the processing of hot ore from four oxidizing pillars. Metallurgical operations at Trail performed well at rates appropriate to the reduced demand for metals. Sulphur burning equipment was installed in the zinc plant to permit fertilizer manufacturing at levels independent of metallurgical operations.

The difficult labour shortage of prior years eased progressively through 1975, although tradesmen continued in short supply. To help meet this shortage, record numbers of candidates were enrolled in the apprentice trade schools conducted by the Company in cooperation with provincial educational authorities.

The Federal Government lead absorption study initiated in 1975 has not been completed but results are expected later in 1976. Our own extensive biologic testing of employees, which has been going on for 15 years, again in 1975 gave good results. Medical reports are made available to our employees on a personal basis upon request.

Corporate engineering direction is provided from Trail for major projects outside British Columbia. A Central Mines Group supplies in-house consulting service in the broad technologies of mining engineering, concentration and geology. The Technical Research Group was active in the development of the Cominco-Sherritt Gordon hydrometallurgical copper process. At year end the pilot plant at Fort Saskatchewan was being commissioned.

At Trail a new 850-ton daily capacity sulphuric acid plant began operation and two older plants were shut down. An expansion of the high purity metals facility was completed. Important contributions to environmental improvement included a fume eliminator on the zinc stack and new tail-gas scrubbers for the phosphate fertilizer plant. The Engineering Building was enlarged and modernized.

At the Sullivan mine in Kimberley, to improve efficiencies and provide better control of oxidizing ore, 1,000 feet of internal ramp was completed in the first phase of a major modernization program. In 1976 the second phase will be undertaken for a cumulative total expenditure of over \$4 million. Construction proceeded on a major tailings dyke and on water recycling systems.





R. P. DOUGLAS,  
Group Vice-President  
at Yellowknife

An administrative office was established in Yellowknife, the capital of the Northwest Territories, in late 1975. The Group manages the operating mines, Con and Pine Point, and directs the development of new mining ventures in the North.

At the Con mine, the new shaft sinking reached the 4,300-foot level at year end and the headframe and hoist installation were close to completion. The shaft had intersected the main ore-bearing shear zone and commercial production is expected to commence late in 1976.

A system of mechanized stoping using trackless underground mining equipment was introduced and at year end was supplying about 30% of the production.

Exploration drilling within the mine continued to define more ore than extracted. Late in the year, surface diamond drilling was commenced on the property of a subsidiary company, Kamcon Mines Limited, approximately four miles south. This program will explore an extension of the favourable shear zone which occurs in the Con mine.

Approximately 45% of the total work force were "Northerners" — by definition those who have made their homes in the Northwest Territories for more than four years. Wage rates were negotiated for the second year of a two-year collective agreement, expiring July 31, 1976.

### PINE POINT MINES LIMITED

Net earnings for 1975 were \$16.9 (\$36.9) million on sales of \$92.8 (\$126.5) million.

Production was 104,000 (123,000) tons of lead concentrate and 301,000 (359,000) tons of zinc concentrate. Total waste material handled was 8.4 (7.6) million tons as the proportion of overburden to be removed increased with deeper orebodies.

The underground continuous mining program commenced in 1974 has been complicated by delays in delivery of certain mining equipment and the variable hardness of the ground encountered.

Exploration expenditures were \$1.8 (\$1.3) million. A new orebody of 600,000 tons grading 17% combined zinc-lead was found. Most of the ore mined during the year was replaced but at slightly lower than average grade.

The recent shortage of skilled tradesmen continued because of the high level of construction activity in Alberta. Approximately 40% of the total work force were "Northerners". Negotiations were concluded on a 30-month collective agreement commencing September 1, 1975.

### ARVIK MINES LIMITED

Discussions continued throughout the year with the federal government regarding development of the Polaris zinc-lead mine on Little Cornwallis Island. Progress has been disappointingly slow but it is hoped that unresolved issues will be settled in 1976.



## Prairie Group



M. N. ANDERSON,  
Group Vice-President  
at Calgary

This group with headquarters in Calgary, Alberta, is responsible for the potash mine near Saskatoon, the chemical and fertilizer plant at Calgary, construction of the new ammonia-urea complex at Carseland, east of Calgary, the Fording coal mine in the Crowsnest area of British Columbia and the exploration and development of coal holdings of CanPac Minerals in the western provinces.

The potash operation in Saskatchewan had a significantly higher output than in 1974 as a result of improved plant performance and the addition of a modest amount of equipment. However, because of the excessive tax burden, the plant operated at a loss. Demand for potash declined sharply late in the year necessitating a production curtailment.

At the Calgary fertilizer plant, the cost of ammonia rose sharply during the year because of a substantial increase in gas prices. The union contract covering this operation was renegotiated in September. Labour contracts at Potash and Fording operations expired on December 31, 1975 and February 15, 1976 respectively. High labour turnover, lack of skilled tradesmen and rapidly rising wage rates persisted throughout Alberta as a direct result of the buoyant economy.

Construction of the Carseland ammonia-urea complex is proceeding on time with startup scheduled for late 1976. The plant is designed for an annual capacity of 400,000 tons of ammonia and has the capability of processing 275,000 tons of this to urea. A substantial portion of both the ammonia and urea production is committed in long term sales contracts.

Major environmental projects underway include the reclamation program at Fording, the brine disposal improvements at the potash plant and the high standard air, water and noise pollution control systems being incorporated in the Carseland complex.

### FORDING COAL LIMITED

Additional mine equipment and plant changes were responsible for the increased production of 2.81 (1.99) million long tons of clean coal. Higher coal prices contributed significantly to better earnings, Cominco's portion of which was \$7.1 (\$0.5) million. Further plant modifications now underway, which will be completed in about 18 months, will result in improved recovery and increased capacity. An underground mining test program was commenced and 2,500 feet of tunnel completed as part of a study to determine the feasibility of an hydraulic underground mine.

### CANPAC MINERALS LIMITED

CanPac continued its exploration in the prairie basin to extend its known coal reserves. In November a joint application was submitted by CanPac Minerals and Calgary Power Ltd. to the Energy Resources Conservation Board of Alberta for the construction and operation of a 10 million ton per year coal mine and a 2,250 megawatt generating plant in the Camrose-Ryley field, 40 miles southeast of Edmonton. CanPac Minerals will hold approximately 58% of the coal rights and will operate the mine but will have no financial responsibility for the mining or generating equipment. Mining is scheduled to commence in late 1980 with start up of the first generating unit in 1982.



## Cominco American Incorporated



**J. C. MACLEAN**  
President and Chief Executive Officer  
Cominco American Incorporated

## Cominco Europe



**O. E. OWENS,**  
Director  
Cominco Europe

Cominco American had a good year with consolidated sales of U.S. \$167 (\$158) million. The beneficial effect of the generally strong fertilizer prices which prevailed in the early part of the year was offset to a considerable degree by increased cost of energy, labour and supplies.

Our share of sales from the 50% owned Magmont Mine at Bixby, Missouri, operated by Cominco American, totalled 33,300 (35,800) tons of refined lead, 7,000 (6,900) tons of zinc concentrate and 10,100 (5,300) tons of copper concentrate.

Chemical and fertilizer sales were 1,062,000 (1,202,000) tons of which 639,000 (720,000) tons were purchased from Cominco Ltd. The Homestead Plant near Beatrice, Nebraska produced 152,000 (164,000) tons of ammonium nitrate. A \$1.4 million fume abatement unit is under construction at this plant.

Camex, Inc., a wholly owned subsidiary of Cominco American, produced 364,000 (368,000) tons of anhydrous ammonia at its Borger, Texas plant. Camex has begun marketing minor quantities of gas and oil from its wells in New Mexico. A gas exploration program continues in the Texas Panhandle.

An encouraging experimental underground program using a continuous mining machine was carried out at the Douglas phosphate property in Montana to test the applicability of this type of equipment to phosphate mining.

The relocation and upgrading of the electronic materials plant in Spokane, Washington was continued. Production and sales were adversely affected by the recession in the electronics industry.

Effective January 1, 1976 Cominco American began marketing Cominco Ltd.'s refined zinc and lead in the United States.

### COMINCO (U.K.) LIMITED, COMINCO GmbH AND MAZAK LIMITED

These companies, which market Cominco's metals in the United Kingdom and continental Europe, performed well.

### COMINCO EUROPE N/V

This Netherlands corporation is the holding company for Cominco Ltd.'s recently incorporated exploration and marketing interests in Europe. The headquarters for European exploration is located in Brussels and a combined metal trading and exploration office was opened in Paris.

The development and construction of Exminesa's zinc-lead Rubiales Mine in northern Spain was 65% complete at year end. The project is on schedule with startup expected in the last quarter of 1976.

### VESTGRON MINES LIMITED

The Black Angel Mine, owned by Greenex A/S, a wholly owned subsidiary of Vestgron, produced 168,000 (185,000) tons of zinc concentrate and 35,000 (41,000) tons of lead concentrate. Net earnings of Vestgron were \$15.8 (\$10.3) million from sales of \$50.5 (\$36.3) million.

A total of 226,000 tons of lead and zinc concentrates was shipped to market. The use of ice strengthened ships permitted an early June start to the shipping season and its continuance into December.

At the mine a mile long tunnel connecting the Angel and Cover zones was completed. Exploration from the tunnel delineated more than double the tonnage of ore mined during the year.

### TARA EXPLORATION AND DEVELOPMENT COMPANY LIMITED

This company has a 75% interest in the Navan zinc-lead deposit in Ireland. Mine development and construction of a 7500 ton per day concentrator are underway. Start-up is expected in the first half of 1977.



## Cominco Australian



**G. N. MOORE**  
Chairman  
Cominco Australian Pty. Ltd.

Cominco's mining activities in the southern Pacific are administered by Cominco Australian, whose principal interests are Cominco Exploration and the operating mines of the Aberfoyle group. Ardlethan Tin was merged into Cleveland Tin at year end.

Consolidated sales were \$21.1 (\$28.3) million. The decrease in sales was due primarily to the reduced production quotas for tin imposed in April by the government in concert with the International Tin Council. The reduction resulted in a 30% production curtailment. The Golden Plateau mine will close during 1976 due to exhaustion of gold ore reserves.

The continuing aggressive exploration program at the Que River property in Tasmania outlined reserves of 5.3 million tons grading 17% zinc-lead with significant values in copper, silver and gold. An underground test, including the driving of a tunnel, is underway to provide several thousand tons of ore for a bulk concentration test of this rather complex material. A feasibility study to determine the economic potential will be completed in 1976.

## Power



**P. HANSEN**  
President and Chief Executive Officer  
West Kootenay Power and Light  
Company, Limited

West Kootenay Power, in addition to serving 65,000 consumers in southeastern British Columbia, operates the power plants owned by Cominco Ltd. on the Kootenay and Pend-d'Oreille Rivers. In 1975 the utility load growth was 10.3% (5.0%), which required new investment in transmission and distribution facilities amounting to \$4.8 (\$2.4) million. To meet rising costs and capital requirements, the company filed a general rate increase application with the British Columbia Energy Commission, the first in 30 years. Even after the requested increase, its rates will still be among the lowest in North America.

At mid-year, W. K. Gwyer, President and Chief Executive Officer of the utility company, reached retirement age after 25 years of valued service. He was succeeded by P. Hansen.

During the year an agreement between British Columbia Hydro and Power Authority, Cominco and West Kootenay Power became effective, providing for coordination of the various hydro installations on the Kootenay River. Cominco's surplus power was sold to West Kootenay Power, to British Columbia Hydro and to Calgary Power Ltd. and the remainder was exported to utilities in the northwest United States and California. Licences, authorizing the sale of surplus power to the U.S. and the transfer of power through the U.S., were renewed to December 31, 1977.



S. M. ROTHMAN,  
Group Vice-President  
at Vancouver

These companies extend our manufacturing and related activities. Western Canada Steel is a regional steel producer; Canada Metal is a major participant in the Canadian secondary metals industry; National Hardware is a zinc diecaster; Pacific Coast Terminals handles bulk and general cargoes, including a significant tonnage of Cominco products; Mitsubishi Cominco produces lead in Japan and Cominco Binani is an indigenous Indian zinc producer.

Each of these companies is operated through its own board of directors and staff. Each represents an important element in its own field and in the communities in which it is located. In addition to meeting corporate objectives related to your Company, each is concerned with maintaining and enhancing its individual profitability and reputation.

### **WESTERN CANADA STEEL LIMITED AND SUBSIDIARY, HAWAIIAN WESTERN STEEL LIMITED**

These companies recycle scrap steel to manufacture hot rolled carbon steel bars, reinforcing bars, industrial fasteners and forgings. Consolidated sales were \$47.9 (\$69.5) million. The reduction was due to a lower level of activity. Doubling of the Vancouver steelmaking capacity and extensive modernization of rolling mills in Calgary and Hawaii were well advanced at year end.

### **THE CANADA METAL COMPANY LTD.**

This company produces a comprehensive range of metal alloys, castings and fabrication for the Canadian market. While shipments declined slightly during the year, lower prices were largely responsible for the reduced sales revenue of \$45.3 (\$57.1) million. Operations were disrupted by strikes in the Vancouver and Montreal plants.

### **NATIONAL HARDWARE SPECIALTIES LIMITED**

The reduction in sales of die cast products — \$8.5 (\$10.9) million — was a direct result of the diminished business activity in both the automotive and hardware markets. To benefit from the economies of scale, equipment from the Lindsay, Ontario plant was moved to Dresden, Ontario.

### **PACIFIC COAST TERMINALS CO. LTD.**

A three-week longshoremen's strike occurred in March and was followed by a prolonged strike in the British Columbia forest industry. These, combined with a general decline in the import and export of commodities, reduced the volume of cargo handled to 3.4 (4.4) million tons. Additional storage facilities for 20,000 tons of concentrates were completed during the year.

### **MITSUBISHI COMINCO SMELTING COMPANY LIMITED**


This company in Japan suffered from the decline in domestic lead prices and a 25% reduction in demand. Production was reduced to 31,000 (39,400) tons. Cost control was excellent and the operation earned a small profit.

### **COMINCO BINANI ZINC LIMITED**

The performance of this Indian company was satisfactory in spite of reduced output occasioned by delays in the receipt of imported raw materials, caused by shipping problems. These, together with equipment failures reduced zinc production to 9,900 (12,200) tons.



## Principal Active Subsidiaries and Associate Companies

COMINCO OWNERSHIP		HEAD OFFICE	
Arvik Mines Ltd.	75%	R. P. Douglas <i>President and Chief Executive Officer</i>	Yellowknife N.W.T.
Bathurst Norsemix Ltd. (NPL)	39%	P. Frigstad <i>President</i>	Vancouver British Columbia
The Canada Metal Company Limited	50%	C. Smith <i>President and General Manager</i>	Toronto Ontario
CanPac Minerals Limited	40%	M. N. Anderson <i>President and Chief Executive Officer</i>	Calgary Alberta
Cominco American Incorporated	100%	J. C. MacLean <i>President and Chief Executive Officer</i>	Spokane Washington, U.S.A.
Camex Inc.	100%	L. D. Demand <i>President</i>	Borger Texas, U.S.A.
Cominco Australian Pty. Ltd.	100%	G. N. Moore <i>Chairman</i>	Sydney Australia
Aberfoyle Limited	55%	J. K. Connor <i>Chairman</i>	Melbourne Australia
Cominco Binani Zinc Limited	40%	G. Binani <i>Chairman</i>	Calcutta India
Cominco Europe N.V.	100%	J. C. Beck A. J. van der Marel <i>Managing Directors</i>	Amsterdam Netherlands
Cominco S.A.	100%	G. Harden <i>Managing Director</i>	Brussels Belgium
Cominco France S.A.	100%	D. M. Silver <i>President and Director General</i>	Paris France
 Exploration Minera Internacional España S.A. (Exminesa)	47%	R. S. Jiménez <i>Chairman</i>	Madrid Spain
Cominco GmbH	100%	H. von Mejer <i>Managing Director</i>	Dusseldorf West Germany
Cominco (U.K.) Limited	100%	D. M. Silver <i>Managing Director</i>	London England
Mazak Limited	50%	M. P. Chandler <i>Managing Director</i>	Bristol England
Fording Coal Limited	40%	M. N. Anderson <i>President and Chief Executive Officer</i>	Trail British Columbia
Mitsubishi Cominco Smelting Company Limited	45%	T. Takata <i>President</i>	Tokyo Japan
National Hardware Specialties Limited	99%	W. J. McDonald <i>President and Chief Executive Officer</i>	Dresden Ontario
Pacific Coast Terminals Co. Ltd.	78%	W. W. Brown <i>President and Chief Executive Officer</i>	New Westminster British Columbia
Panarctic Oils Ltd.	9%	C. R. Hetherington <i>President and Chief Executive Officer</i>	Calgary Alberta
Pine Point Mines Limited	69%	J. H. Salter <i>Chairman and Chief Executive Officer</i>	Pine Point N.W.T.
Rycon Mines Limited	76%	J. M. B. Scarborough <i>President</i>	Yellowknife N.W.T.
Société Centrafricaine d'Exploitation Diamantifère (SCED)	60%	A. E. Jolis <i>President</i>	Bangui The Central African Republic
Tara Exploration and Development Company Limited	17%	M. McCarthy <i>President</i>	Toronto Ontario
Valley Copper Mines Limited (N.P.L.)	81%	S. M. Rothman <i>President</i>	Trail British Columbia
Vestgron Mines Limited	63%	O. E. Owens <i>President</i>	Yellowknife N.W.T.
Greenex A/S	63%	E. Dragsted <i>Chairman</i>	Umanak Greenland
Western Canada Steel Limited	100%	M. C. D. Hobbs <i>Chairman and Chief Executive Officer</i>	Vancouver British Columbia
Hawaiian Western Steel Limited	51%	C. C. Smith <i>General Manager</i>	Ewa Hawaii
West Kootenay Power and Light Company, Limited	Common 100% Preferred 25%	P. Hansen <i>President and Chief Executive Officer</i>	Trail British Columbia

## Consolidated Statement of Earnings

Year ended December 31, 1975

	1975	1974
	(thousands)	
<b>REVENUE</b>		
Sales of products and services	\$746,183	\$781,898
Income from investments	<u>8,250</u>	<u>10,773</u>
	<u>754,433</u>	<u>792,671</u>
<b>COSTS AND EXPENSES</b>		
Cost of products and services	432,375	424,891
Distribution	58,980	65,912
Selling	13,639	11,771
General and administrative	23,583	22,285
General mineral exploration	7,024	6,771
Long-term debt interest and expense	18,678	13,797
Depreciation, depletion and amortization	<u>47,541</u>	<u>51,814</u>
	<u>601,820</u>	<u>597,241</u>
Earnings before the following	152,613	195,430
Taxes on income including resource taxes	<u>74,700</u>	<u>93,200</u>
	77,913	102,230
Minority interest in net earnings of subsidiaries	<u>12,554</u>	<u>18,160</u>
	65,359	84,070
Equity in net earnings of associated companies	<u>8,262</u>	<u>2,217</u>
<b>NET EARNINGS</b>	<u>\$ 73,621</u>	<u>\$ 86,287</u>
<b>EARNINGS PER SHARE</b>	<u>\$ 4.34</u>	<u>\$ 5.08</u>

## Consolidated Statement of Earnings Reinvested in the Business

Year ended December 31, 1975

	1975	1974
	(thousands)	
Amount at beginning of year	\$349,241	\$313,861
Net earnings	<u>73,621</u>	<u>86,287</u>
	422,862	400,148
Dividends — \$3.00 per share	<u>50,927</u>	<u>50,907</u>
Amount at end of year	<u>\$371,935</u>	<u>\$349,241</u>



# Consolidated Balance Sheet

	1975	1974
	(thousands)	
<b>CURRENT ASSETS</b>		
Cash and short-term investments	\$ 68,932	\$ 98,912
Accounts receivable	106,774	89,651
Inventories (Note 2)	151,126	117,065
Prepaid expenses	<u>5,443</u>	<u>3,461</u>
	<u>332,275</u>	<u>309,089</u>
 <b>INVESTMENTS (Note 3)</b>		
Associated companies	40,459	35,723
Other companies	<u>39,072</u>	<u>36,830</u>
	<u>79,531</u>	<u>72,553</u>
 <b>FIXED ASSETS</b>		
Land, buildings and equipment	576,262	516,795
Less accumulated depreciation	<u>228,196</u>	<u>228,493</u>
	<u>348,066</u>	<u>288,302</u>
 Mining properties and development	163,134	143,318
Less accumulated depletion	<u>69,029</u>	<u>61,291</u>
	<u>94,105</u>	<u>82,027</u>
	<u>442,171</u>	<u>370,329</u>
 <b>OTHER ASSETS (Note 4)</b>		
	<u>15,534</u>	<u>13,746</u>
	<u>\$869,511</u>	<u>\$765,717</u>


at December 31, 1975

	1975	1974
	(thousands)	
CURRENT LIABILITIES		
Bank loans	\$ 17,646	\$ 1,695
Accounts payable and accrued liabilities	97,322	78,483
Income taxes	6,549	56,387
Long-term debt due within one year	<u>11,641</u>	<u>12,160</u>
	<u>133,158</u>	<u>148,725</u>
LONG-TERM DEBT (Note 5)	<u>212,224</u>	<u>138,080</u>
INCOME TAXES PROVIDED FOR BUT NOT CURRENTLY PAYABLE	<u>69,738</u>	<u>51,871</u>
MINORITY INTERESTS	<u>49,172</u>	<u>44,798</u>
SHAREHOLDERS' EQUITY		
Capital		
Authorized — 20,000,000 shares of no par value		
Issued and fully paid — 16,981,053 shares		
(Note 6)	33,284	33,002
Earnings reinvested in the business	<u>371,935</u>	<u>349,241</u>
	<u>405,219</u>	<u>382,243</u>
COMMITMENTS AND CONTINGENT LIABILITIES (Note 7)		
	<u>\$869,511</u>	<u>\$765,717</u>

Approved by the Board:



Director



Director



# Consolidated Statement of Changes in Financial Position

Year ended December 31, 1975

	1975	1974
	(thousands)	
<b>SOURCE OF WORKING CAPITAL</b>		
Net earnings	\$ 73,621	\$ 86,287
Add: Items entering into the determination of earnings which do not currently affect the flow of funds		
Depreciation, depletion and amortization	47,541	51,814
Income taxes not currently payable	17,716	4,829
Minority interest in net earnings of subsidiaries	12,554	18,160
Excess of equity in net earnings of associated companies over dividends received	(5,013)	(1,467)
Other	95	972
Funds from operations	146,514	160,595
Proceeds from disposal of investments	283	242
Proceeds from disposal of land, buildings and equipment	3,667	1,246
Additional long-term debt	95,643	5,867
Additional share capital (Note 6)	282	
	<u>246,389</u>	<u>167,950</u>
<b>APPLICATION OF WORKING CAPITAL</b>		
Investments	3,866	29,632
Land, buildings and equipment	96,622	42,592
Mining properties and development	25,131	16,504
Repayments on long-term debt	21,499	14,271
Dividends — to shareholders	50,927	50,907
— to minority shareholders of subsidiaries	6,651	8,958
Other	2,940	856
	<u>207,636</u>	<u>163,720</u>
Increase in working capital	<u>\$ 38,753</u>	<u>\$ 4,230</u>
<b>CHANGES IN COMPONENTS OF WORKING CAPITAL</b>		
Increase (decrease) in current assets		
Cash and short-term investments	\$ (29,980)	\$ 16,632
Accounts receivable	17,123	17,805
Inventories	34,061	23,181
Prepaid expenses	1,982	1,525
	<u>23,186</u>	<u>59,143</u>
Increase (decrease) in current liabilities		
Bank loans	15,951	605
Accounts payable and accrued liabilities	18,839	14,424
Income taxes	(49,838)	32,492
Long-term debt due within one year	(519)	7,392
	<u>(15,567)</u>	<u>54,913</u>
Increase in working capital during the year	38,753	4,230
Working capital at beginning of year	160,364	156,134
Working capital at end of year	<u>\$199,117</u>	<u>\$160,364</u>

# Notes to Consolidated Financial Statements

## 1. Summary of significant accounting policies.

### a) Principles of Consolidation.

The consolidated financial statements include the accounts of Cominco Ltd. (the Company) and all its subsidiaries. The Company follows the equity method of accounting, including in earnings its share of the earnings and losses of associated companies in which it owns 50% or less of the shares but over which it has substantial influence.

### b) Translation of Accounts of Foreign Subsidiaries.

The financial statements of foreign subsidiaries are translated into Canadian dollars as follows:

Current assets and liabilities are translated at rates of exchange in effect at the end of the year; all other assets and liabilities are translated at rates in effect when the transactions occurred.

Revenues and expenses are translated at the average rate for the year except depreciation expense which is translated at the rates in effect when the related fixed asset expenditures were made.

### c) Inventories.

Inventories of raw materials and products are valued generally at the lower of cost (determined on the monthly average method) and net realizable value.

Inventories of stores and operating supplies are valued at average cost less appropriate allowances for obsolescence.

### d) Land, Buildings and Equipment.

Expenditures on land, buildings and equipment are recorded at cost less amounts realized on sales. When such expenditures have been fully depreciated, it is the practice to write-off the recorded cost against the depreciation accumulation so that only costs not fully depreciated are carried on the balance sheet. It is not generally the practice to record gains or losses on abandonment, suspension in the use of, or disposition of fixed assets. Plant expenditures are depreciated over their estimated economic lives. Because of the wide range of economic lives of the integrated mining and

manufacturing facilities of the Company and its Canadian subsidiaries, expenditures on these facilities are pooled and depreciated on a straight line basis over thirteen years. Expenditures on the potash mine are depreciated on a straight line basis over twenty years. Other subsidiaries depreciate fixed asset expenditures over the estimated economic lives of the individual facilities and reflect gains or losses on sales and abandonments.

### e) Mining Properties and Development.

Expenditures on general mineral exploration are charged against earnings as incurred. Expenditures to investigate identified properties and to develop mines are capitalized as mining properties and development and these expenditures, together with the cost of certain investments in mining companies, are amortized against earnings by charges for depletion based on the companies' overall mineral resource position.

### f) Pensions.

Pension costs for current service are charged to earnings on a current basis. The liability for past service is being funded and charged to earnings over the period until 1992 (See Note 7 (b)).

### g) Income Taxes.

The Company and its subsidiaries follow the tax allocation method of accounting. Under this method timing differences, resulting principally when depreciation and depletion recorded in the accounts are different from the amounts claimed for tax purposes, result in taxes being provided for but not currently payable.

Withholding taxes, where applicable, on earnings of foreign subsidiaries have been provided in the accounts to the extent of dividends anticipated in the future on earnings accumulated to December 31, 1975.

### h) Research and Product Development.

Research and product development costs are charged against earnings as incurred.



## Notes to Consolidated Financial Statements (continued)

### 2. Inventories.

	1975	1974
	(thousands)	
Raw materials and products	\$117,157	\$ 88,098
Stores and operating supplies	33,969	28,967
	<u>\$151,126</u>	<u>\$117,065</u>

### 3. Investments.

	1975	1974
	(thousands)	
a) Associated companies on an equity basis:		
Shares having no quoted market value, at cost less amounts realized on sales	\$ 29,149	\$ 29,200
Equity in undistributed earnings	5,348	334
	<u>34,497</u>	<u>29,534</u>
Advances	5,962	6,189
	<u>\$ 40,459</u>	<u>\$ 35,723</u>
b) Other companies:		
Shares		
Panarctic Oils Ltd. (9.1% owned), at cost	\$ 13,889	\$ 10,469
Tara Exploration and Development Company Limited (17.4% owned), at cost	26,903	26,877
Other companies, at cost less amounts written off and amounts realized on sales:		
Quoted market value		
\$4,509,000 (1974 — \$2,265,000)	4,121	2,972
No quoted market value	1,793	1,649
	<u>322</u>	<u>444</u>
Advances	47,028	42,411
Less accumulated depletion of mineral investments	7,956	5,581
	<u>\$ 39,072</u>	<u>\$ 36,830</u>

### 4. Other assets.

	1975	1974
	(thousands)	
Potash mine rehabilitation costs	\$ 10,156	\$ 10,156
Deferred financing costs	3,291	2,344
Sundry	2,087	1,246
	<u>\$ 15,534</u>	<u>\$ 13,746</u>

Following flooding in 1970, the potash mine was rehabilitated and production resumed in March, 1973. Legal counsel have advised that, in their opinion, there are good grounds for establishing liability against the contractors and legal proceedings are in progress to recover the loss.

### 5. Long-term debt (excluding amount due within one year).

	1975	1974
	(thousands)	
Companies in Canada:		
Cominco Ltd.		
8½% Sinking fund debentures due 1991	\$ 64,850	\$ 65,000
10½% Sinking fund debentures due 1995	60,000	
Bank loan due 1979 to 1983	25,000	
Export Import Bank of the United States, due 1977 to 1985	2,643	
West Kootenay Power & Light Company, Limited		
5¾% First mortgage bonds due 1985	7,250	7,252
Bank loan due 1978	8,000	6,200
Pacific Coast Terminals Co. Ltd.		
Bank loan due 1976 to 1978	1,000	1,500
Other	1,486	2,808
	<u>170,229</u>	<u>82,760</u>
Companies in the U.S.A., payable in U.S. funds:		
Cominco American Incorporated 5½% and 6¾% Notes due 1976 to 1980	5,832	7,452
Camex, Inc. 7% Notes due 1976 to 1984	11,545	12,982
	<u>17,377</u>	<u>20,434</u>
Companies in Australia, payable in Australian funds:	63	128
Company in Denmark:		
Greenex A/S		
Bank loans payable in U.S. funds (1974 — U.S. \$19,000,000) due 1976 to 1979 with interest at 1¼% above the London inter-bank rate	24,555	34,758
	<u>\$212,224</u>	<u>\$138,080</u>

Payments due in 1976 are \$11,641,000; 1977 \$13,306,000; 1978 \$21,492,000; 1979 \$19,229,000; 1980 \$8,273,000.

## Notes to Consolidated Financial Statements (continued)

### 6. Capital stock.

During 1975 11,100 shares were issued for a cash consideration of \$282,000 under a stock option plan for certain executives in the full-time employment of the Company or subsidiaries. Outstanding stock options are as follows:

Granted	Option Price	Outstanding December 31, 1974	Exercised	Outstanding December 31, 1975
1974	\$25.42	22,900	11,100	11,800
1975	\$27.45			24,900

There are 52,200 unissued shares reserved for possible future options.

### 7. Commitments and contingent liabilities.

- a) At December 31, 1975 guarantees and commitments were as follows:
  - (i) Guarantees amounted to \$46,000,000 of which \$21,200,000 was for bank loans of Fording Coal Limited and \$16,100,000 was for bank loans of Exploración Minera Internacional España S.A.
  - (ii) Unexpended amounts remaining on approved major capital projects \$108,000,000.
- b) The Company and its subsidiaries have pension plans covering substantially all employees. At December 31, 1975 actuarial estimates for past service benefits amounted to \$46,000,000 which is being provided for and funded over the period from 1975 to 1992 inclusive. In respect of the Company, the estimate relates salaried retirement benefits to final earnings in 1981 or retirement, whichever first

occurs, with the intention that the date be extended annually; such extensions may increase the unfunded liability. The date of the last independent actuarial valuation of the pension plans of the Company was December 31, 1974.

Total pension expense for the year was \$15,596,000 (1974 — \$14,234,000).

### 8. Directors' and officers' remuneration.

In 1975 total remuneration of \$106,000 was paid to fourteen (all) directors and \$1,105,000 to seventeen (all) officers of the Company including relatively insignificant amounts paid to them by subsidiaries. There were four officers who were also directors.

### 9. Anti-inflation programme.

Effective October 14, 1975, the Canadian Government passed The Anti-Inflation Act which is scheduled to be in force until December 31, 1978. Under this legislation the Company and its Canadian subsidiaries are subject to controls on revenues, profits, employee compensation and shareholder dividends.

The effect of the controls on the companies in the future is not clear owing to uncertainties as to the interpretation of the regulations; however, in the opinion of management, there was no significant adverse effect on the earnings for 1975. The legislation will limit dividends to the shareholders of the Company to a maximum of \$3.00 per share during the year ending October 13, 1976, the first year of the programme.

THORNE  
RIDDELL  
& CO.

CHARTERED ACCOUNTANTS

### AUDITORS' REPORT

To the Shareholders of  
Cominco Ltd.

*We have examined the consolidated balance sheet of Cominco Ltd. as at December 31, 1975 and the consolidated statements of earnings, earnings reinvested in the business and changes in financial position for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.*

*In our opinion these consolidated financial statements present fairly the financial position of the companies as at December 31, 1975 and the results of their operations and the changes in their financial positions for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.*

Vancouver, B.C.  
February 18, 1976

*Thorne Riddell & Co.*  
Chartered Accountants



## Ore Reserves

### MEASURED AND INDICATED (thousands) 1975

Zinc-Lead		Ore (tons)	Zinc-Lead (tons)	Ore (tons)	Zinc-Lead (tons)
B.C.	Sullivan/H.B.	59,000	6,400	60,000	6,500
N.W.T.	Pine Point	39,000	2,900	40,000	3,100
U.S.A.	Magmont	10,000	960	11,000	1,100
GREENLAND	Black Angel	4,400	830	3,800	790
SPAIN	Rubiales	11,000	1,200	8,000	930
Gold			Gold (ozs.)		Gold (ozs.)
N.W.T.	Con/Rycon	1,700	980	1,600	980
Mercury			Mercury (flasks)		Mercury (flasks)
B.C.	Pinchi Lake	1,200	98	1,300	110
Tin			Tin (tons)		Tin (tons)
AUSTRALIA	Aberfoyle Group	4,500	31	5,600	41
Phosphate			P <sub>2</sub> O <sub>5</sub> (tons)		P <sub>2</sub> O <sub>5</sub> (tons)
U.S.A.	Brock/Douglas	19,700	6,000	19,800	6,100
Coal			Coal (long tons)		Coal (long tons)
B.C.	Fording		54,000		55,000
ALTA/SASK.	CanPac		1,600,000		1,600,000
Potash			K <sub>2</sub> O (tons)		K <sub>2</sub> O (tons)
SASK.	Vade	114,000*	31,000	116,000*	32,000

### POTENTIAL (thousands)

1975

1974

Zinc-Lead		Zinc-Lead (tons)	Zinc-Lead (tons)
N.W.T.	Polaris	25,000	25,000
TASMANIA	Que River	5,300	—
SPAIN	La Troya	5,500	—
Copper		Copper (tons)	Copper (tons)
B.C.	Valley Copper	800,000	800,000

\* Extractable tonnage with present facilities from total reserves of approximately three times indicated amount.

LOCATION	MINE	PRODUCT	1975		1974	
			ORE PRODUCED (tons)	GRADE	ORE PRODUCED (tons)	GRADE
B.C.	Sullivan	Zinc-Lead	2,208,000	8.1%	1,416,000	8.6%
	H.B.	Zinc-Lead	453,000	4.0%	256,000	4.8%
	Pinchi Lake	Mercury	125,000	—	173,000	—
	Fording	Coal	2,805,000*	—	1,992,000*	—
N.W.T.	Pine Point	Zinc-Lead	3,905,000	7.3%	4,135,000	7.9%
	Con/Rycon	Gold	148,000	0.55 oz.	145,000	0.60 oz.
SASK.	Potash	K <sub>2</sub> O	2,239,000	25.5%	1,713,000	25.6%
U.S.A.	Magmont	Lead-Zinc	1,077,000	9.0%	1,042,000	8.2%
	Brock	P <sub>2</sub> O <sub>5</sub>	271,000	28.6%	271,000	29.1%
GREENLAND	Black Angel	Zinc-Lead	651,000	20.2%	634,000	23.4%
AUSTRALIA	Aberfoyle	Tin-Tungsten	58,000	0.9%	46,000	1.0%
	Cleveland	Tin-Copper	319,000	1.1%	347,000	1.0%
	Golden Plateau	Go!d-Silver	33,000	1.2 oz.	39,000	1.0 oz.
	Ardlethan	Tin	450,000	0.52%	496,000	0.57%

\*Long tons of clean coal



## Production

		1975	1974
Zinc	Tons	194,000	162,000
Lead			
Trail	Tons	138,000	95,000
Magmont	Tons	<u>34,000</u>	<u>34,000</u>
		172,000	129,000
Silver	Ozs.	8,813,000	6,621,000
Gold	Ozs.	95,000	103,000
Cadmium	Lbs.	1,364,000	899,000
Bismuth	Lbs.	208,000	220,000
Antimonial Lead	Tons	401	244
Indium	Ozs.	224,000	259,000
Mercury	Flasks	12,000	14,000
Tin*	Tons	3,215	3,723
Tungsten*	Tons	244	167
Steel	Tons	167,000	200,000
Chemicals and fertilizers			
Canada	Tons	708,000	583,000
United States	Tons	<u>450,000</u>	<u>464,000</u>
		1,158,000	1,047,000
Potash	Tons	771,000	601,000

\*Metal content of concentrates





## DIRECTORS

\*W. J. BENNETT, *President*

Iron Ore Company of Canada, Montreal

H. C. BENTALL, *Chairman and Chief Executive Officer*  
The Dominion Construction Co. Ltd., Vancouver

\*F. S. BURBIDGE, *President*  
Canadian Pacific Limited, Montreal

\*F. E. BURNET, *Chairman and Chief Executive Officer*  
Cominco Ltd., Vancouver

\*H. T. FARGEY, *Executive Vice-President, Administration and Marketing*  
Cominco Ltd., Vancouver

\*G. H. D. HOBBS, *President*  
Cominco Ltd., Vancouver

R. A. MacKIMMIE, Q.C., *Partner*  
Law firm of MacKimmie Matthews, Calgary

\*D. R. McMASTER, Q.C., *Partner*

Law firm of McMaster, Minion, Patch,  
Hyndman, Legge, Camp and Paterson, Montreal

W. MOODIE, *President*  
Canadian Pacific Investments Limited, Montreal

S. E. NIXON, *Corporate Director and Financial Consultant, Montreal*

H. M. PICKARD, *Chairman and Chief Executive Officer*  
Marathon Realty Company Limited, Calgary

\*I. D. SINCLAIR, Q.C., *Chairman and Chief Executive Officer*,  
Canadian Pacific Limited, Montreal

THE HONOURABLE JAMES SINCLAIR, P.C., *Chairman*  
Lafarge Canada Ltd., Vancouver

W. J. STENASON, *Executive Vice-President*  
Canadian Pacific Investments Limited, Montreal

*\*Member of Executive Committee*

## OFFICERS

F. E. BURNET, *Chairman and Chief Executive Officer*

G. H. D. HOBBS, *President*

I. D. SINCLAIR, Q.C., *Vice-President*

H. T. FARGEY, *Executive Vice-President, Administration and Marketing*

J. H. SALTER, *Executive Vice-President and Chief Operating Officer*

M. N. ANDERSON, *Group Vice-President at Calgary*

R. P. DOUGLAS, *Group Vice-President at Yellowknife*

A. V. MARCOLIN, *Group Vice-President at Trail*

S. M. ROTHMAN, *Group Vice-President at Vancouver*

J. F. M. DOUGLAS, *Vice-President, Eastern Region*

R. G. McEACHERN, *Vice-President, Exploration*

W. G. WILSON, *Vice-President, Finance and Accounting*

M. H. MASON, *General Counsel*

P. C. STEWART, *Secretary*

M. A. MADLEY, *Treasurer*

A. D. MILLER, *Comptroller*

## TRANSFER AGENTS

### THE ROYAL TRUST COMPANY

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600 - 7th Avenue S.W., Calgary, Alberta T2P 0Y6  
630 Dorchester Blvd. W., Montreal, Quebec H3B 1S6  
One King Street, Saint John, N.B. E2L 1G1

### CANADA PERMANENT TRUST COMPANY

1901 Yonge Street, Toronto, Ontario M4S 1Y8

### BANK OF MONTREAL TRUST COMPANY

2 Wall Street, New York, N.Y. 10005

## STOCK EXCHANGES

### CANADA

Vancouver, Toronto, Montreal

### U.S.A.

American

## REGISTRARS

### MONTREAL TRUST COMPANY

Vancouver, Calgary, Montreal, Saint John

### CROWN TRUST COMPANY

Toronto

### CHEMICAL BANK

New York

*For Canadian capital gains tax purposes the valuation day value of Cominco Ltd. shares on December 22, 1971, as established by the Department of National Revenue was \$22.88 (Canadian).*



